Page 1 of 2

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ENGINEEDING "DAcomunt"

Kae Lewis - Data adequacy review, TRANSMISSION SYSTEM ENGINEERING (Ref:11/21/2000, data adequacy letter

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To:

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Date:

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Subject:

Data adequacy review, TRANSMISSION SYSTEM ENGINEERING (Ref:11/21/2000, data adequacy

letter

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DOCKET #00-AFC-12 COMMENTS ON TRANSMISSION SYSTEM ENGINEERING (Reference : November 21, 2000 Data Adequacy Letter from CEC.)

This new report on transmission system engineering provided by Duke Energy North America at the request of the CEC does not provide answers to the specific questions asked by CEC staff. It only provides "probable conclusions" (page 5) about what PG&E's study will provide. Duke is providing probable conclusions to try to achieve data adequacy because the new PG&E study will "not be completed immediately".

Conclusion #1 includes the statement "certainly not intended to replace the PG&E FS that will be forthcoming." I do not believe the CEC can make knowledgeable decisions based on forthcoming studies.

Conclusion #2, "So it appears that transmission system performance demonstrates no particular problems that cannot be accommodated by re-rating of selected lines. This has been done numerous times on previous occasions to accommodate line overloads." The Duke engineer is making an assumption that because a line has been temporarily re-rated for overloading that it can be continually overloaded. Overloading line conductors is weather dependent, which is why PG&E has done it numerous times but not re-rated the lines permanently.

Conclusion #3, " The PG&E study will be more detailed and comprehensive, but is not expected to reveal any special problems". I believe the PG&E study should speak for itself.

These conclusions are not sound engineering. It can not be expected that the CEC will deem this section adequate when the data are not there.

The load flow studies are not complete. The studies show approximately 30% of plant output to loads at Templeton, Mesa and San Luis Obispo/Morro Bay. The load flow study should show what the remaining 70%, exported power, does when it is applied to the grid at critical and congested path 15.

As recently as 12/20/00, CAISO declared a stage 2 alert for Northern California. (LA Times, 12/21/00) The alert was caused because available power in Southern Ca. could not be transported to Northern Ca. due to congestion on path 15.

As early as 6/17/99 path 15 congestion made the news (San Luis Obispo Tribune,6/24/99, reporting on SF Chronicle article) when Duke Power North America charged the CAISO \$1 million per day to keep the Morro Bay power plant off line to relieve congestion on path 15. CASIO claimed

Duke was price gouging because they knew the Morro Bay plant was the only one that could relieve the congestion on path 15. I suspect that the Duke Morro Bay plant has charged the CASIO many \$millions to stay off or shut down the plant to relieve congestion on path 15, however, these records are unavailable to me. CAISO executive Terry Winter has alluded to the fact that this type of gouging has occurred many times.

Congestion on this path 15 was recognized much earlier, as the Modesto Irrigation District, a municipally owned utility, carried a contract with PG&E for years which allowed MID to request PG&E to back down on power from Morro Bay so that MID could pass power through path 15.

In private discussions with operating personnel at SCE, MID and CAISO, all have agreed that the worst place to have a new power plant operating for more years is at Morro Bay.

The CEC's Paul Richins Jr.'s private opinion in the LA Times (12/21/00) states that plants that deliver power to strategic points in the grid will hold a decided advantage. Conversely, a plant like Morro Bay, which does not deliver power to a strategic point, but to a congested point, can make money by controlling power flow but may not be able to deliver power when most needed due to congested path 15.

Don Boatman

I am retired PG&E (30years,1993, 20 years in management) and have worked the last 7 years as a power systems analyst and protective relay system technician in major power plants. I have 37 years of experience in power production, transmission and distribution in California. I have worked on studies of major power blackouts in the U.S. and Asia and have reviewed work of the California Independent System Operator, Pacific Gas and Electric Company Maintenance and Operations, Southern California Edison Company Maintenance and Operations, and Taiwan Power Company Operations and Engineering.